

North Dakota Public Employees Retirement System

Benefits Guide for State Employees

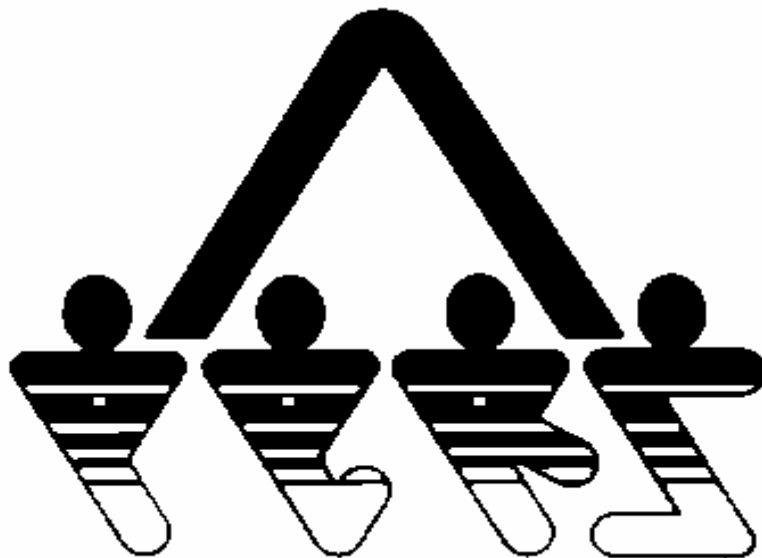


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This brochure is intended to provide general information and may not be considered a legal interpretation of law. Statements contained in this brochure do not supersede the North Dakota Century Code, Administrative Code, official plan documents, or restrict the authority granted to the Retirement Board. This information is subject both to changes made by state and federal legislation and rules and regulations established by the Board of the North Dakota Public Employees Retirement System.

NDPERS is excited to announce that we now have available to our members the ability to access to their individual retirement accounts. A member may view their retirement account balance, annual statements, and access the tools needed to compute retirement and disability benefits. To access NDPERS on-line services and for more information on plan provisions, visit our website at discovernd.com/ndpers.

North Dakota Public Employees Retirement System

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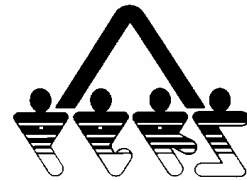
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Defined Benefit Hybrid Plan



In the Defined Benefit Hybrid plan, an account is established on your behalf and contributions are made to the account by you and your employer. If you are vested, you are guaranteed a benefit at retirement, which is generally based on your compensation, benefit multiplier, and your years of service. The more years of service, the greater the benefit. You will receive the benefit determined under the plan regardless of the performance of the plan's investments.

Eligibility:

Eligible employees are those who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year, and whose positions are regularly funded and not of limited duration (i.e., permanent). Employees who do not meet these requirements may participate in the retirement plan; however, they are responsible for their total retirement contribution.

Enrollment:

Eligible employees must enroll at the date of hire and retirement contributions must begin with the employee's first paycheck. Employees who do not meet the eligibility requirements can participate at their own cost, but must elect to enroll within the first six (6) months of beginning employment or experiencing an employment change in status.

Public Employees Retirement Plan N.D. C.C. Chapter 54-52

Contributions:

Employee Contribution:	4.00% of salary
Employer Contribution:	4.12% of covered payroll

Vesting:

To be vested in the Defined Benefit Hybrid Plan means that you have become legally entitled to a monthly benefit when you terminate employment and reach retirement age or qualify for long-term disability.

Vesting in Disability Benefit:	180 days
Vesting in Retirement Benefit:	36 months

Portability Enhancement Provision (PEP)

N.D.C.C. Chapter 54-52-11.1

Vesting in the Employer Contribution:

As an active member in the Defined Benefit Hybrid Plan, individuals are able to vest in the employer contribution for cash distribution purposes by participating in a deferred compensation (457) program, 403(b) or other qualified retirement savings program approved by the NDPERS Board. The vesting schedule for the PEP contributions is based upon your existing service credit in the retirement program and the amount you defer into a qualified deferred compensation plan. See the following schedule for details:

Retirement Service Credit	Minimum Vesting Contribution	Maximum Vesting Contribution
0 – 12 months	\$25	1% of gross salary
13 – 24 months	\$25	2% of gross salary
25 – 36 months	\$25	3% of gross salary
37 + months	\$25	4% of gross salary

BENEFITS AT TERMINATION OF EMPLOYMENT:

Member Account Balance: Refund/Rollover of your member account balance, which consists of the monthly employee contributions, the vested portion of employer contributions, and interest. This interest is compounded monthly up to the time a refund/rollover is issued. The interest paid on your account is currently 7.5% annually and builds on a tax deferred basis.

Long Term Disability Benefits: If you are deemed eligible for disability benefits, you will receive 25% of your final average salary each month for as long as you are disabled under the basic disability payment option. The minimum benefit is \$100 per month.

Surviving Spouse Benefits: If member dies after completing 36 months of credited service, the member's spouse may elect to receive:

- (a) Refund/Rollover of member's account; or
- (b) 100% of member's unreduced retirement benefit for 5 years; or
- (c) 50% of member's unreduced retirement benefit for life; or
- (d) Equivalent of 100% joint & survivor option if member had reached normal retirement age.

BENEFITS AT RETIREMENT:

Early Retirement Age: 55

Normal Retirement Age: 65

Rule of 85: Age + Years of Service = 85 or more
No reduction in benefits for early retirement; there no minimum age requirement.

Retirement Formula: Final Average Salary X 2.00% X Years of Credited Service

Final Average Salary = Average of highest 36 salaries of the last 120 months you worked.

Benefit Multiplier = The rate established by the legislature at which you earn benefits.

Retirement Options:

- Single Life
- Joint & Survivor 50% & 100%
- Term Certain 5 & 10 Year
- Social Security Level Income

Defined Contribution Plan



In the defined contribution plan, an account is established on your behalf and contributions are made to the account by you and your employer. Upon an employee's retirement or termination the total amount or value of your account is available for payment. The amount of your benefit will be affected by the investments you select, the amount of time you have to invest, and the performance of the plan's investments.

Eligibility:

Every permanent employee who is at least 18 years old and who is in a position not classified by the central personnel division of the State of North Dakota may be eligible to participate in the Defined Contribution Retirement Plan. Employees of the judicial branch, a member of the Highway Patrol or the Board of Higher Education and State institutions under the jurisdiction of the Board are not eligible to participate in the Plan.

Enrollment:

Every eligible employee may participate in the Defined Contribution Plan at the later of his/her first day of employment or the effective date of this Defined Contribution Plan. Such eligibility, however, shall terminate at any time employment with the employer is terminated. An eligible employee's participation in the Defined Contribution Plan shall be further governed by the following:

- An election made by an eligible employee is irrevocable, except that an employee who terminates employment with the State after making an election to participate in the Plan but before the amount held in the Defined Benefit Hybrid Plan is transferred to the Defined Contribution Plan shall not participate in the Defined Contribution Plan and shall remain under the Defined Benefit Hybrid Plan.
- An eligible employee who does not make a written election under the plan by the applicable deadline shall continue to be a member of Defined Benefit Hybrid Plan.
- An employee who is married on the date he/she makes the election to participate in the Defined Contribution Plan must receive his/her spouse's notarized signature on the election form in order for that election to be effective.
- If a member of the Defined Contribution Plan becomes an employee of the judicial branch, the board of higher education, a state institution under the

jurisdiction of the board, the highway patrol, or becomes employed in a position subject to teachers' fund for retirement membership, the member's status as a member of the Defined Contribution Plan is suspended and the member becomes a new member of the retirement plan for which that member's new position is eligible. The member's account balance remains in the Defined Contribution Plan, but no new contributions may be made to that account. The member's service credit and salary history that were forfeited as a result of the member's transfer to the Defined Contribution Plan remain forfeited, and service credit accumulation in the new retirement plan begins from the first day of employment in the new position. If the member later returns to employment that is eligible for the Defined Contribution Plan, the member's suspension is terminated, the member again becomes a member of the Defined Contribution Plan, and the member's account shall resume accepting contributions. The contributions to the alternate retirement plan shall remain with the plan unless at the member's option, the member may transfer any available balance as determined by the provisions of the alternate retirement plan into the member's account in the Defined Contribution Plan.

Public Employees Retirement Plan N.D.C.C. Chapter 54-52

Contributions:

Employer Contribution: 4.12% of covered payroll
Employee Contribution: 4.00% of salary

Vesting:

The term "vesting" refers to your non-forfeitable right to the money in your account. You are always fully vested in the employee contributions, even if your employer has paid them. You will vest in the employer contributions in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 2 years	0%
2 years	50%
3 years	75%
4 years	100%

For purposes of vesting, you will be credited for years of service earned as a participant in the Defined Benefit Hybrid Plan at the time of transfer. However, if you terminate employment with the State, are paid a distribution from the Defined Contribution Plan, and are later reemployed by the State, your years of service upon reemployment will be zero (i.e., your prior years of service will not count toward vesting).



Retiree Health Insurance Credit

N.D.C.C. Chapter 54-52.1-03.2

Eligibility:

Members receiving a retirement allowance from the Defined Benefit Hybrid Plan or the Defined Contribution Plan are eligible to receive a credit towards their monthly health insurance premium for the state health plan equal to \$4.50 for each of the member's years of credited service, subject to early retirement reductions. For example, a member with 20 years of service at normal retirement age would receive a monthly credit of \$90, which is a tax-free benefit. A receiving member is eligible for coverage under the state health plan [Blue Cross Blue Shield Dakota Plan and Dakota Retiree Plan] even if the employer is not participating in the state health plan prior to the member's retirement if the member is enrolled during eligible "qualifying events".

Contributions:

Employer Contribution: 1.00% of covered payroll

Benefit Formula: \$4.50 x Years of Credited Service

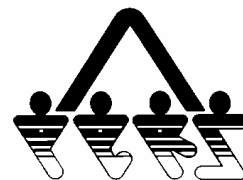
BENEFITS AT RETIREMENT:

Retiree Health Credit Options: Single Life
Joint & Survivor 50% & 100%

Foot Note: Summary of Total Retirement Contributions discussed on Pages 1-6:

TOTAL REQUIRED EMPLOYEE CONTRIBUTION:	4.00%
TOTAL REQUIRED EMPLOYER CONTRIBUTION:	<u>5.12%</u>
TOTAL REQUIRED RETIREMENT CONTRIBUTION:	9.12%

Deferred Compensation 457 Plan



Supplemental Retirement Program

The Deferred Compensation Plan is a voluntary supplemental retirement plan for eligible employees of participating governmental agencies. The plan is set up under Section 457 of the Internal Revenue Code. This program permits you to make pretax deductions from your salary with the intent to receive the deferred amount at a later date, such as retirement. Neither the amount deferred to your investment account nor the income nor gains on those investments are taxable until you begin to withdraw money from the account.

Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year, and whose positions are regularly funded and not of limited duration (i.e., permanent).

Enrollment:

To participate in the plan, you must select and contact an eligible investment provider. The provider representative will assist you in completing the required forms to open an account. Eligible employees may enroll in the plan at any time. Providers of investment services for the Deferred Compensation Plan are as follows:

ING/Aetna Investment Services, INC.	Nationwide Life Insurance Co.
Bank of North Dakota	NDPERS Companion Plan [Fidelity]
The Equitable	Safeco Life
Hartford Life Insurance Co.	Sunset Life Insurance Co.
Jackson National Life	VALIC
Zurich Life	Waddell & Reed Financial Services

Contributions: The annual minimum deferral is \$300 (\$25 a month). The maximum contribution limit for 2004 is \$13,000 and will increase annually based on the following schedule:

Year	2005	2006
Contribution Limits	\$14,000	\$15,000

After 2006, the limit will be indexed in \$500 increments.

The annual maximum you may defer is based upon the annual limits indicated on the maximum allowable deduction schedule or 100 percent of your includible compensation, whichever is less. The maximum you may defer is affected by your contributions to another Section 457 deferred compensation plan, or employee contributions to your regular retirement plan which are paid by your employer under an IRC Section 414(h) salary reduction arrangement.

Example

Gross Pay	\$25,000
Less: 414(h) contributions	<u>1,500</u>
Includible compensation	\$23,500
	<u>100%</u>
	\$23,500 or the annual maximum limit, whichever is less
Maximum Annual Deduction	<u><u>\$13,000</u></u>

An election to begin a deferral, or to make any changes in your deferral amount, must be made in the month prior to the month in which the salary is earned.

Distributions: The funds are available upon separation from employment, which includes retirement, disability, death, resignation, or discharge. The funds are taxed when distributed to you. If you die before beginning distribution or receiving the total amount in the deferred compensation account, the account will be paid to your designated beneficiary.

You may withdraw your account prior to separation under two circumstances. In the event you have an unforeseeable emergency, you may apply for a financial hardship withdrawal subject to the approval of the NDPERS Board. A financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to you or one of your dependents, loss of your property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control. A lump sum deminimus distribution is also permissible if the total value of your account(s) is less than \$5,000, you have not contributed to the plan in the preceding two years, and you have not previously received a distribution of this nature from the plan.

Group Health Insurance "Dakota Plan"



Underwritten by:
Blue Cross Blue Shield of North Dakota

Eligibility:

Eligible employees are those who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year, and whose positions are regularly funded and not of limited duration (i.e., permanent).

Enrollment Period:

You have an initial enrollment period of 31 days from your date of employment. Applications received within the enrollment period will be accepted with no restrictions or limitations for you and any eligible dependents. Coverage will be effective the first of the month following your hire date.

If you do not enroll during the initial 31 day eligibility period when hired or do not enroll within 31 days of a qualifying event, you may apply for coverage during the Annual Enrollment Season [October 1 – November 15] with coverage effective the following January 1, however, you may be subject to a 12 month pre-existing condition period.

Preferred Provider Organization (PPO): The Preferred Provider Organization (PPO) is a group of hospitals, clinics and physicians who have agreed to discount their services to members of NDPERS. You have "freedom of choice" in selecting which physician or medical facility to use for services. No referral is needed. If you choose a provider who participates in the PPO program, you will have lower out-of-pocket expenses. PPO benefits are only available in the State of North Dakota, unless the medical facility provides services at a satellite location in another State.

Exclusive Provider Organization (EPO): The Exclusive Provider Organization (EPO) is a managed care program and encourages the use of a Primary Care Physician. You and each of your eligible family members may use any Primary Care Physician affiliated with your designated EPO provider. You may change your Primary Care Physicians at any time. The medical practices included under primary care are: General/Family Practice, Obstetrics/Gynecology, Pediatrics and Internal Medicine. If you enroll in the EPO you will have lower out-of-pocket expenses for annual deductibles and reduced co-payments for office visits and diagnostic services. Your affiliation is for one year. The plan year runs from July 1 through June 30 of the following year.

<u>Plan Features:</u>	<u>Basic</u> (Self Referral or Out-of- State)	<u>PPO</u>	<u>EPO*</u>
Deductible for All Services			
-Per Person	\$250	\$250	\$100
-Per Family	\$750	\$750	\$300
Copayment for Physician Office Visits (no limit)	\$ 25	\$ 20	\$ 15
Copayment for Emergency Room	\$ 50	\$ 50	\$ 50
Coinsurance on all covered services EXCEPT Physician Office Visits	75/25	80/20	85/15
Annual Coinsurance Maximum			
-Individual	\$1250	\$750	\$500
-Family	\$2500	\$1500	\$1000
Out-of-Pocket Maximums (Deductible and Coinsurance)**			
-Individual	\$1500	\$1000	\$600
-Family	\$3250	\$2250	\$1300

* Out-of-network coverage is at the Basic level.

**Office visit and emergency room copayments and prescription drug copayments and coinsurance are additional.

DEDUCTIBLE AND COINSURANCE

Deductible, copayments, and coinsurance maximums accrue on a "Calendar-Year" basis, January 1 - December 31.

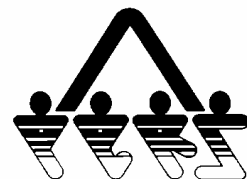
Prescription Formulary Generic Drug			
-Copayment	\$5	\$5	\$5
-Coinsurance	15%	15%	15%
Prescription Formulary Brand-Name Drug***			
-Copayment	\$15	\$15	\$15
-Coinsurance	25%	25%	25%
Prescription Non-Formulary Drug			
-Copayment	\$25	\$25	\$25
-Coinsurance	50%	50%	50%
*** For each 34-day supply or 100 units of an authorized maintenance drug or non-prescription diabetic supplies.			

PREVENTIVE SCREENING SERVICES

The following services are paid at 100% of allowed charge. The deductible amount is waived.

Planned Screening includes these tests:	Frequency
Blood Sugar Testing (blood test used to screen for diabetes and other conditions) Total Serum Cholesterol Testing (identifies risk factors for coronary artery disease) Fecal Occult Blood Testing (test used to screen for colon cancer)	Under age 40: Once every five years. Ages 40 - 64: Once every two years. Ages 65 and over: Once a year.
Mammography Screening (test for breast tumors)	Ages 35 - 40: One service for members between the ages of 35 - 40. Ages 40 - 50: Once every 24 months. Ages 50 and over: Once a year.
Routine Pap Smear (test for cervical cancer)	Once a year.

State of North Dakota FlexComp Plan



Administered By:
North Dakota Public Employees Retirement System

Eligibility:

An eligible employee is one who is 18 years of age, works at least 20 hours per week for at least 20 or more weeks of the year and whose position is regularly funded and not of limited duration (permanent).

Enrollment:

New employees will be eligible to participate the first day of the month following their permanent full-time employment. However, the election period will be extended 60 days from a new employee's date of hire. An election made during the extended 60-day period will not be effective until the first contribution is received. Participation is limited to expenses incurred for the remainder of the plan year.

The annual enrollment period is October 1 through November 15 to participate in the plan for the plan year beginning January 1 and ending December 31. During the annual enrollment you may enroll in or discontinue participation in the plan.

HOW THE FLEXCOMP PLAN WORKS

A "FlexComp Plan" is another term for a Cafeteria Plan and is established and administered under Section 125 of the Internal Revenue Code. It allows you to save taxes on the amount you pay for eligible insurance premiums, medical expenses, and dependent care expenses. Since the dollars you contribute to the plan are deducted before income and social security tax are deducted you will pay less taxes, which means you may have more money to spend or save. However, you should be aware you are reducing the social security taxes paid, which could slightly reduce your social security benefits.

Employees may elect to participate in any combination of the three (3) features of the FlexComp Program which include:

- **Premium Conversion:** Allows you to pay for certain premiums under various insurance programs available for payroll deduction through your employer. Examples of eligible insurance premiums available through payroll deduction include dental, vision or cancer insurance policies. We will automatically pre-tax your premium deduction for the first \$50,000 of ING employee supplemental life

insurance coverage unless you make an election to decline this action in Section B of the FlexComp enrollment form. Please note, if you pretax your insurance premium, you may not change or drop coverage during the plan year unless you experience an IRS Qualified Change of Status.

- **Medical Spending Account:** An employee may redirect a portion of their salary for eligible medical expenses up to a maximum of \$6000 per plan year. The total annual medical spending election amount is available to you at any time during the Plan Year. Therefore, the total amount deposited into your account for the year, less any reimbursements previously made to you, is available to you at any time during your coverage.
- **Dependent Care Reimbursement Account:** An employee may redirect a portion of their salary up to a maximum of \$5,000 per year for a single parent, \$5,000 per year for a married couple filing a joint tax return or \$2,500 for a married person filing separately. Requests for reimbursement from a Dependent Care Reimbursement Account will be paid according to the dollars available in your account to date.

Eligible Dependent Care Expenses Must:

- Be for the purpose of enabling you and your spouse to be employed.
- Be for a child under 13 years of age who is your dependent under Federal Tax Rules.
- Be provided by someone other than your spouse or another dependent child.

The dependent care account can also be used for the care of a spouse or a dependent over the age of 13 who is incapable of self-care.

IMPORTANT IRS RULES:

There are three important points that you should take into consideration when participating in the FlexComp Plan...

Use It or Lose It-The FlexComp plan year begins January 1 and ends December 31. The IRS requires that any money left in your account(s) at the end of the year be forfeited. Therefore, you must incur enough expenses during the plan year to use the balance of your account. You'll have three months after the end of the plan year on December 31, or until March 31 to file claims for expenses incurred during the plan year. NDPERS will keep you informed about your account balances by providing you with quarterly statements throughout the plan year to let you know how much money you have used and what you have left in your account(s).

Change in Participation-The IRS requires that once you elect to participate, your payroll deductions may not be stopped or changed until the start of the next plan year. The only exception is if you experience an IRS Qualified Change of Status.

Separate Accounts-You may participate in either or both flexible spending accounts. Because the Medical Spending Account and Dependent Care Spending Account are separate accounts, you may not use money from one account to cover expenses in the other.

Group Life Insurance



Underwritten by:
ING Employee Benefits

Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year, and whose positions are regularly funded and not of limited duration (i.e., permanent).

Enrollment:

You may enroll in the plan within 31 days of your original hire date and coverage will be effective the first day of the month following date of hire.

Increase in Coverage:

You may increase your supplemental, dependent or supplemental spouse life insurance coverage during the Annual Enrollment Season [October 1 – November 15th]. Evidence of Insurability must be approved by ING Employee Benefits for coverage to be increased on either you or your dependents. Contact your payroll department to obtain the proper application forms or visit our website at www.discovernd.com/ndpers.

Basic Life:

If your employer is participating in the NDPERS Life Insurance Program, you will receive basic life insurance coverage in the amount of \$1,300. The premium is \$0.28 a month and is paid by the employer.

Employee Supplemental Life:

You may elect to have supplemental coverage in addition to the basic life coverage of \$1,300. The first increment is \$3,700 (\$3,700 + basic of \$1,300 = \$5,000); thereafter, the supplemental increments are \$5,000 up to a maximum of \$200,000.

Dependent Life:

If you elect supplemental coverage, you are eligible to purchase dependent life insurance. This coverage is available at either a \$2,000 or \$5,000 level for your spouse and each eligible dependent. The premium is based on the employee's age and is a flat rate regardless of the number of dependents covered.

Spouse Supplemental Life:

If you elect dependent life insurance coverage, you are eligible to purchase supplemental spouse life insurance. This coverage is available in \$5,000 increments and may not exceed 50% of the total employee supplemental coverage or \$100,000, whichever is less. Evidence of Insurability is required on all spouse supplemental life over \$50,000.

Accidental Death and Dismemberment (AD&D):

The NDPERS Group Life Insurance contains an AD&D insurance benefit which will pay benefits if you lose your life, limb or sight due to accidental injury.

Accelerated Life Benefit:

The benefit is available only to active employees. It allows employees who have a terminal illness or condition to receive a portion of their life insurance benefit while they are living. A terminal condition is defined as having a life expectancy of six months or less with no reasonable expectation of recovery. The provision pays 50% of the total face amount of the life insurance with a minimum benefit of \$5,000 and a maximum benefit of \$50,000. At the present time, the accelerated life benefit proceeds are taxable income. After the accelerated life benefit is paid, the premium for the life coverage is reduced and based on the remaining amount of coverage which is payable to the beneficiary upon the employee's death.

Voluntary Dental Insurance



Underwritten by:
ING Employee Benefits

Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year for a state agency, and whose positions are regularly funded and not of limited duration (i.e., permanent).

Enrollment:

You may enroll in the plan within 31 days of your original hire date or during the Annual Enrollment Season [October 1 – November 15th]. Contact your payroll department to obtain premium information and an application form. You can also obtain an application form by visiting our website at www.discovernd.com/ndpers.

Covered dental services fall into four main categories as shown below:

Annual maximum per member benefit - \$1,000. All coverage is subject to reasonable and customary guidelines.

Service	Deductible*	Coinsurance	Waiting Period	Office Visit Deductible**
Preventive and diagnostic treatment (Cleaning & X-rays, every 6 months)	None	100%	None	\$10.00
Basic treatment (Fillings, oral surgery, periodontics)	\$50 per person	80%	6 months	none
Major treatment (Crowns, bridges, dentures)	\$50 per person	50%	1 year	none
Orthodontic treatment***	None	50%	2 years	none

* *The deductible includes total expenditures per person for basic and major treatment combined.*

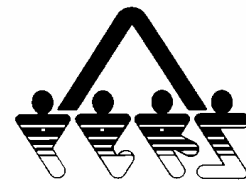
** *The deductible for preventive and diagnostic expenses is the amount payable by you or your insured dependent each time you visit a dentist's office.*

*** *Available to eligible dependent children; lifetime maximum benefit is \$1,500.*

**The premium is eligible for pre-tax treatment through the
IRC Section 125 FlexComp program.**

Voluntary Vision Insurance

Underwritten by:
Ameritas



Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year for a state agency, and whose positions are regularly funded and not of limited duration (i.e., permanent).

Enrollment:

You may enroll in the plan within 31 days of your original hire date. You may change your election only during the Annual Enrollment Season [October 1 – November 15th], except for a change in family status. Such events include, but are not limited to, marriage, divorce, birth of a child, death of a spouse or child.

Contact your payroll department to obtain premium information and an application form. You can also obtain an application form by visiting our website at www.discovernd.com/ndpers.

If you and/or your dependents do not elect to participate when initially eligible, you and/or dependents may elect to participate during an annual enrollment season. If you do not enroll when initially eligible you and/or dependents will be considered late entrants. As a late entrant, no benefits will be payable for expenses incurred in the first 12 months, except for the vision exam benefit.

Covered vision services fall into four main categories as shown below:

Service	Deductible*	Benefit Amount**	Waiting Period (Late Entrant)
Vision Examination (Once every 12 months)	None	\$35	None
Frames (Once every 12 months)	\$40	\$40	12 months
Lenses (Per Pair, Once every 12 months)	None		12 months
Single Vision		\$35	
Bifocal		\$50	
Trifocal		\$65	
No Line Bifocal or Progressive		\$70	
Lenticular (cataract surgery)		\$70	
Contact Lenses (Once every 12 months)	\$40	\$75	12 months

*Lifetime Deductible per person-applies to frames and contact lenses only.

**The benefit paid will be the lesser of the actual amount charged or the benefit amount shown above. You will be responsible for any cost over the plan benefit amounts. Benefits will be paid for glasses or contact lenses but not both each 12 months.

**The premium is eligible for pre-tax treatment through the IRC
Section 125 FlexComp program.**

Voluntary Long-Term Care Insurance



Underwritten by:
UNUM Life Insurance Company of America

Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year for a state agency, and whose positions are regularly funded and not of limited duration (i.e., permanent).

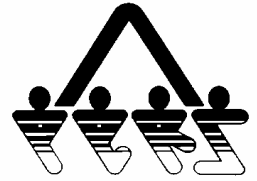
Enrollment:

You and/or your spouse may enroll at any time and must be medically underwritten. Coverage is effective the first day of the month following approval by UNUM. Contact your Payroll/Human Resource Department for a Long-Term Care enrollment kit. You can also obtain the enrollment kit by visiting our website at www.discovernd.com/ndpers.

Long Term Care (LTC) insurance pays benefits based on your ability to function independently as defined by six Activities of Daily Living (ADLs). The ADLs used to measure your ability to function independently are bathing, dressing, toileting, transferring, continence, and eating. If you lose the functional capacity or require standby assistance to perform any two of the six ADLs, UNUM considers you to have lost the ability. The plan also pays benefits for long-term care needs that result from cognitive impairment that results from advanced age, Alzheimer's disease, or similar forms of irreversible dementia.

The plan offers additional optional features that give you the freedom to design your LTC plan. The "Paid-Up" feature provides protection should you stop paying premiums for any reason. The "Inflation Protection" feature protects your LTC benefit from the impact of inflation. Your premium amount will be based on your age at the time you apply for coverage, the level of coverage you select, and your lifetime maximum benefit amount. You and/or your spouse may enroll at any time and must be medically underwritten. Coverage is effective the first day of the month following approval by UNUM

Employee Assistance Program (EAP)



Eligibility:

Eligible employees are those employees who are at least 18 years of age, work at least 20 hours per week for 20 or more weeks per year for a state agency, and whose positions are regularly funded and not of limited duration (i.e., permanent) and their immediate family members. Immediate family includes the spouses and/or children living in the same household as the employee or dependent children attending school.

Enrollment:

You are automatically enrolled in the program. The premium is paid by the employer.

Program Description:

The EAP is designed to provide special assistance in guidance and counseling and to determine appropriate diagnosis and/or course of treatment to employees and their eligible dependents in cases of alcoholism, drug abuse and personal problems. This assistance is rendered for a specified number of visits and the EAP is responsible for recommending further referrals to clinical or supportive organizations and medical professionals if necessary. They also conduct educational seminars and provide informational brochures.

Employees may be referred to an EAP by their supervisor in instances where an employee has deteriorating job performance and has not responded to established supervisory counseling or disciplinary procedures. Employees may also seek assistance on their own.

Minimum Services:

Provides 6 individual sessions per year
Provides phone counseling
Provides a toll-free number
Provides a 24-hour Crisis Hot Line

Appointments Within:

72 hours for non-emergency
24 hours for emergency
Weekend/Holiday (Emergency)

Range of Counseling Services:

Alcohol and Drug Dependence
Family or Marriage Problems
Work-Related Problems
Emotional Problems
Behavioral Problems

Job Stress Concerns
Financial Issues
Physical or Sexual abuse
Gambling Issues
Family Relationships

Current EAP Providers:**St. Alexius/Heartview**

PO Box 5510
Bismarck ND 58506-5510
(701) 530-7195
1-800-327-7195

Medcenter One

626 N 6 ST
Bismarck ND 58501
(701) 323-6543
1-800-526-8648

Village Family Services

PO Box 9859
Fargo ND 58106-9859
(701) 451-4900
1-800-627-8220

Deer Oaks EAP Services

7272 Wurzbach Road, Suite 601
San Antonio TX 78240

1-866-327-2400

Client Confidentiality:

The cornerstone of the EAP is the strict confidentiality that is adhered to regarding all program services. All clients can be assured that no information will be disclosed to anyone without the client's written authorization, or within the limits of the state and federal laws.